

VZCZCXYZ0007
OO RUEHWEB

DE RUEHPU #0603/01 1751148
ZNR UUUUU ZZH
O 241148Z JUN 09
FM AMEMBASSY PORT AU PRINCE
TO SECSTATE WASHDC IMMEDIATE 0086

UNCLAS PORT AU PRINCE 000603

SENSITIVE
SIPDIS

STATE FOR WHA/CAR AND H
H PLEASE PASS TO CODEL NELSON

E.O. 12958: N/A
TAGS: [OVIP](#) [PGOV](#) [PREL](#) [HA](#)
SUBJECT: SCENESETTER FOR CODEL NELSON'S JUNE 26 VISIT TO
HAITI

¶1. (SBU) Summary: Your delegation comes at an important point in Haiti's democratic development. Since you last visited in 2007, after food riots in April 2008 and a disastrous series of hurricanes four months later, President Rene Preval and his new Prime Minister, Michele Pierre-Louis, are working hard to meet the basic needs of the population and repair the nearly USD 1 billion in damage caused by the storms and resulting flooding. A donor conference in Washington and a visit by Secretary Clinton in April both emphasized USG determination to help the Haitian people overcome these challenges and focus international attention on Haiti. Electoral tensions and recent student demonstrations over a controversial minimum wage bill have added an element of uncertainty to Haiti's political and security environment. Two rounds of national elections April 19 and June 21 to fill 12 vacant seats in the Parliament's 30-seat Senate saw low voter turnout and isolated incidents of violence, but improved security and organization. End summary.

RIOTS, FLOODS ENDANGER YEARS OF PROGRESS

¶2. (SBU) Haiti is the hemisphere's poorest and most politically troubled country. After the collapse of the Duvalier dictatorship in 1986, Haiti experienced a succession of military regimes and popularly-elected governments, interspersed with coups d'etat, the departure of an elected President in the midst of an armed rebellion, and other destabilizing events. Even democratically elected leaders sometimes resorted to political violence or failed to hold constitutionally mandated elections. All these factors have exacerbated political instability and economic stagnation. Two years after the departure of then-President Jean-Bertrand Aristide in 2004, the presidential and legislative elections of 2006 gave Haiti a new chance to consolidate political stability and stimulate investment and economic growth. With the over 7,000 soldiers and 2,000 police of UN Stabilization Mission in Haiti (MINUSTAH) guaranteeing the peace since 2004, gang activity and other violent crime has diminished rapidly.

¶3. (SBU) However, rioting in April 2008, caused in part by rising food and energy prices, brought political progress to a halt. While there was genuine social grievance behind the April protests, much of the associated violence was organized by political forces seeking to capitalize on the resulting instability to oust then-PM Jacques-Edouard Alexis. The Senate voted to dismiss PM Alexis on April 12. In the five months following the dismissal of Alexis and his cabinet, the Haitian government was paralyzed by political gridlock. Parliament rejected two candidates for Prime Minister on specious grounds. After Preval nominated his third candidate, Michele Pierre-Louis, Haiti was hit by a series of hurricanes and tropical storms in August and September. The resulting flooding killed almost 800 people; displaced or otherwise affected hundreds of thousands more, crippled the

country's transportation infrastructure, devastated livestock and crops, and caused nearly USD 1 billion in damage. In the face of strong public pressure to confirm a government able to respond to the hurricane damage, Parliament confirmed Pierre-Louis on September 5.

STAGNANT ECONOMY SUFFERED A BLOW IN 2008

14. (SBU) The hurricanes and resulting flooding cast a spotlight on Haiti's already dire economic situation. About 70 percent of the Haitian population lives on less than two dollars per day, and at least 60 percent are unemployed or underemployed. Continuing security challenges, inadequate infrastructure, and an inhospitable business climate deter investment in Haiti today. The 2008 storms reduced that year's growth rate to 1.3 percent, less than the 2.5 percent population growth rate. We have encouraged President Preval and the Government to help Haitian and foreign investors take maximum advantage of the second Haiti Opportunity Through Partnership Encouragement Act (HOPE II), a trade preference bill that allows many types of textiles manufactured in Haiti duty-free access to U.S. markets. That program thus far has created about 11,000 jobs.

15. (SBU) Further job creation under HOPE II may be threatened by a bill Parliament passed May 5 to nearly triple the minimum wage. Private sector representatives lobbied for Preval to veto the bill on the grounds that it would make the assembly sector unprofitable and push unemployment even higher. In the midst of student protests calling for Preval to sign the bill as passed, the President returned the bill to Parliament June 17 with a counterproposal to phase in the minimum wage increase gradually. Students have attacked MINUSTAH and foreign diplomatic vehicles in their demonstrations, which also featured anti-MINUSTAH and anti-Preval slogans. The fate of the revised bill in Parliament is unclear.

RENEWED INTERNATIONAL INTEREST IN HAITI

16. (SBU) The food riots and hurricane damage of 2008 led the United States and Haiti's other international donors to redouble their efforts to achieve progress on food security and economic growth initiatives. Recent visits by UN Secretary-General Ban Ki-moon and former President Bill Clinton, the 15 UN Security Council Permanent Representatives, and Secretary of State Hillary Rodham Clinton have drawn attention to Haiti's plight. In addition, Secretary Clinton announced significant pledges of new assistance at an April 14 donor conference in Washington, including USD 20 million to create short-term jobs, USD 20 million more for debt relief, and USD 15 million in emergency food aid.

CONTROVERSY LINGERS OVER PARTIAL SENATE ELECTIONS

17. (SBU) The partial Senate elections have been the object of some controversy, but they have the strong backing of the United States and the rest of the international community. The electoral authority's decision to exclude all candidates from Fanmi Lavalas, the political party of deposed former President Jean-Bertrand Aristide, sparked a series of small protests and a call from Lavalas militants to boycott the election. Those militants claimed victory when only 11 percent of eligible voters turned out on Election Day for the first round on April 19, although participation in partial legislative elections here is typically low. Some Senators have even threatened to refuse to seat the victorious candidates in the Senate, although it is far from clear that they will make good on their threat.

18. (SBU) The elections themselves took place in a largely peaceful atmosphere, although acts of violence and ballot-box theft were registered in some areas of the country. The 29 observers deployed by the Embassy reported that voting

materials had generally been delivered to polling stations on time, trained poll workers effectively oversaw the voting process, and voters were generally not subjected to threats or intimidation. Elections in the Central Plateau, however, were suspended after a poll worker was shot and unknown perpetrators stole ballot boxes in some voting centers there.

Electoral authorities have not yet fixed a date to re-run the elections in the Center Department.

¶9. (SBU) The Embassy also deployed observers for the second round of the election June 21. Campaigning for the second round was timid, in part because the government was late to deliver promised financing to the candidates. Pre-election violence caused two deaths. MINUSTAH and the Haitian National Police improved their security procedures during the second round, maintaining highly-visible presence throughout the country that contributed to greater security. The Provisional Electoral Council corrected some organizational problems noted in the first round. However, Election Day skirmishes left one dead and others injured. Another incident resulted in weapons charges against supporters of another candidate who is the brother of a sitting Senator. Voter turnout was low, approximately at the levels of the April 19 first round.

THE ASSISTANCE PICTURE: RULE OF LAW/GOVERNANCE

¶10. (U) The United States will provide over USD 287 million in non-emergency assistance to Haiti in 2009. Our programs in Haiti -- financed by USAID, CDC, the Department of Defense, and the State Department's Bureau of International Narcotics and Law Enforcement Affairs (INL/NAS) -- seek to implement reforms, build public institutions, improve law enforcement and corrections capability, and help deliver basic services. Rule of Law programs target Haiti's justice system by helping increase judicial authorities' administrative, management and technical capacity. Good Governance programs provide technical assistance and training to Haiti's Parliament in the areas of legislative drafting, legal and judicial reform, and rules of procedure. Programs aimed at conflict mitigation address poverty and gang-related violence through creation of short- and long-term employment and transfer of job skills through labor-intensive reconstruction of social and productive infrastructure. Another program targets the Provisional Electoral Council to help it solidify its organization and modernize the voter registration process. Civil society programs assist a variety of local media, regional journalist associations, and public service associations, including those that monitor corruption.

HUMANITARIAN ASSISTANCE

¶11. (U) The steep rise in food prices in 2008 followed by the four hurricanes sharply exacerbated Haiti's chronic food insecurity, to which approximately 3 million Haitians are now exposed. USAID contributed USD 45 million in emergency food aid and another USD 14 million for post-hurricane recovery. USAID is continuing its programs to build disaster early warning, response and mitigation capacity. The Ambassador officiated in November 2008 at the ground-breaking ceremony for an Emergency Operations Center for Haiti's disaster response agencies. Following the hurricanes, Congress appropriated an additional USD 96 million over three years for the restoration of public services, repairs to public use infrastructure, provision of income-generating activities, asset restoration, and support to affected families.

HEALTH AND EDUCATION/ECONOMIC GROWTH

¶12. (U) Basic health programs help increase access to essential health services in 72 public sector clinics and 80 NGO clinics. Nearly 50 percent of Haiti's population receives at least some health services financed by the USG. USAID-financed education programs include a new basic education project to strengthen the Ministry of Education's

management and supervisory system, help it extend supervision over the vast private-sector education system, and provide scholarships. Social assistance programs support Haiti's most vulnerable citizens. Economic growth programs target trade and investment, financial sector programs for small and medium enterprises, and programs for agricultural productivity and marketing. Reducing environmental degradation is the goal of USD 25 million in programs that focus on restoring watersheds to thwart periodic flooding.

HIV/AIDS RELIEF

¶13. (U) Haiti has the highest rate of HIV/AIDS infection in the Western Hemisphere. The President's Emergency Plan for AIDS Relief (PEPFAR) will provide just short of USD 100 million in FY 2009 to prevent infections and place HIV-positive persons into treatment. Implemented by USAID and CDC, PEPFAR programs target HIV/AIDS and tuberculosis, but also benefit large parts of Haiti's health care system. The PEPFAR program in Haiti is the largest in the hemisphere.

POLICE REFORM/CORRECTIONS

¶14. (U) The U.S. is the lead donor in implementing the MINUSTAH/Haitian National Police (HNP) reform plan, which foresees building the HNP from its current strength of 9,600 to 14,000 officers by the end of 2011. In concert with MINUSTAH's mandate to enhance Haiti's border security, the U.S. Coast Guard provides training for the Haitian Coast Guard, financed by INL/NAS. Facility renovations, additional boats, and a new operating base on the north coast will be funded by INL/NAS in 2009. The U.S. made a commitment in 2007 to assist in improving the conditions and respect for human rights in Haiti's prison system, and remains the lead donor to Haiti in this sector.

The Embassy at Port-au-Prince looks forwards to your visit.
TIGHE